Population and Economic Base Study

POPULATION AND ECONOMIC BASE STUDY

Introduction

Knowledge about the community economic base and population projections are important in making all major planning decisions. This information is essential to the understanding of future changes and provides a basis for planning public facilities and services. It is also tied closely with housing requirements now and in the future. Without available, affordable housing, both the population and economic base will be unable to expand.

Population

Reviewing population trends can give us a historical perspective in relation to the economic conditions. Table 3 identifies the population trends of Bennet and other Lancaster County communities over the past 40 years.

Table 3 - Population Trends, Lancaster County Communities, 1950-1990

| | | | % Change | % Change | | | % Change | % Change | |
|---------|------------|---------|----------|----------|---------|---------|----------|----------|-------------|
| | 1950 | 1960 | 1950-60 | 1970 | 1960-70 | 1980 | 1970-80 | 1990 | 1980-90 |
| Bennet | 396 | 381 | -3.8 | 489 | 28.3 | 523 | 7.0 | 544 | |
| Davey | 112 | 121 | 8.0 | 163 | 34.7 | 190 | 16.6 | 160 | 4.0 |
| Denton | 101 | 94 | -6.9 | 151 | 60.6 | 164 | 8.6 | | -15. |
| Firth | 245 | 277 | 13.1 | 328 | 18.4 | 384 | | 161 | -1.8 |
| Hallam | 172 | 264 | 53.5 | 280 | 6.1 | | 17.1 | 471 | 22.7 |
| Hickman | 279 | 288 | 3.2 | 415 | | 290 | 3.6 | 309 | 6.6 |
| Lincoln | 98,884 | 128,521 | | | 44.1 | 687 | 65.5 | 1081 | 57.4 |
| Maicolm | 93 | | 30.0 | 149,518 | 16.3 | 171,932 | 15.0 | 191,972 | 11.7 |
| | ļ <u>i</u> | 116 | 24.7 | 132 | 13.8 | 355 | 168.9 | 181 | -49.0 |
| Panama | 168 | 155 | -7.7 | 153 | -1.3 | 160 | 4.6 | 207 | 29.4 |
| Raymond | 196 | 223 | 13.8 | 187 | -16.1 | 179 | -4.3 | 167 | 6.7 |
| Roca | 105 | 123 | 17.1 | 118 | -4.1 | 130 | 10.2 | 84 | -35.4 |
| Sprague | 110 | 120 | 9.1 | 119 | 8 | 168 | 41.2 | 157 | -6.5 |
| Vaverly | 310 | 511 | 64.8 | 1152 | 125.4 | 1726 | 49.8 | 1869 | -0.5 8.3 |

Source: U.S. Bureau of Census, Census of Population 1950-90, Bennet Planning Commission

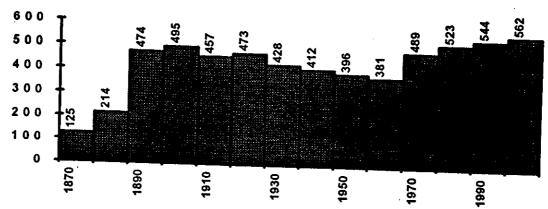
During these 40 years, Bennet has encountered periods of unpredictable population growth and decline. From 1950 to 1960 the population decreased 15 persons (4%). However, from 1970 to 1990, the population increased 55 persons (11%). The agricultural crisis of the 1980's has led to an urbanization of Nebraska and since Bennet is within 20 miles of a major metropolitan city (Lincoln) this may account in part for this increase. Results of the Bennet Community Surveys show that the cleaner air, school system and rural atmosphere were the main reasons for moving to Bennet.

Many villages in Lancaster County have grown considerably more than Bennet over the 40 year period. In several cases the reason is partly reflected by housing subdivisions that developed and were annexed to those villages. In contrast, no such tracts have been developed in Bennet. As was mentioned in the introduction, we will determine the future of the Village to a great extent by the amount of housing we encourage. Without housing opportunities, the population will be unable to have any significant growth.

It is also important in the planning process to develop a population forecast of the number of residents that will require community services. Population projections are based on the assumption that some past trend will continue into the future. However, certain occurrences or situations can influence projections such as a new major employer or significant regional population changes.

The projection for Bennet is based upon the assumption of slow, steady growth. The Nebraska Department of Economic Development projects that between 1990 and 2000 the population of Lancaster County will increase 19,991 persons (10%) and the Village of Bennet will increase 18 persons (3%). From this projection Village resources or projects can be prioritized to best use limited time and finances.

Figure 1 - Bennet Population, 1870-2000



Source: 1972 Village of Bennet Comprehensive Plan 1870-1970, U.S. Census Bureau 1980-1990, Department of Economic Development projection for the year 2000

Population characteristics by age for Bennet in 1990 are shown in Table 4. Prior to 1990 the U.S. Census Bureau did not provide reports of detailed data for communities with a population of less than 1000 persons. The data here then, will be considered a baseline from which to develop future comparisons for Bennet. Understanding the age characteristics of the Village is important because different age groups require different community services, facilities and housing.

Population in age group 25-44, as well as 0-4 and 5-17, represent the young families of Bennet. It is important to provide adequate education and activities for their children. The high percentage of population in this group also indicates a higher need for family housing (2-3 bedrooms). The low population from 18-24 results as the young people leave Bennet to obtain higher education or employment opportunities. Bennet has a higher late middle/retirement age group (age 45 and older) than Lancaster County. In

the future, older populations should continue to grow and their need for housing and services will change.

Table 4 - Comparative Age Composition, Bennet, Lancaster County, State of Nebraska, 1990

| | Village | County | State |
|-------------|---------|---------|---------|
| Age | Percent | Percent | Percent |
| 0-4 | 8.8 | 7.1 | 7.6 |
| 5-17 | 23.2 | 16.8 | 19.6 |
| 18-20 | 2.8 | 7.1 | 4.5 |
| 21-24 | 2.9 | 8.5 | 5.4 |
| 25-44 | 33.1 | 33.6 | 30.8 |
| 45-54 | 8.0 | 8.8 | 9.5 |
| 55-64 | 10.1 | 7.2 | 8.5 |
| 65-74 | 5.5 | 5.9 | 7.5 |
| 75 and over | 5.5 | 4.9 | 6.6 |

Source: U.S. Bureau of Census, Census of Population, 1990, Johnson, Erickson, O'Brien, Bennet Planning Commission

Table 5 - Population Trends by Sex and Age, Village, County, State

| | Villa | ge | Cou | ntv | Sta | te |
|------------------------------------|-------|---|---------|---------|-----------|-----------|
| | 1980 | 1990 | 1980 | 1990 | 1980 | 1990 |
| Total Population | 523 | 544 | 192,884 | 213,641 | 1,569,825 | 1,578,385 |
| Population by Sex | | ••••••••••••••••••••••••••••••••••••••• | | | | |
| Percent Male | 50% | 51% | 49% | 49% | 49% | 49% |
| Percent Female | 50% | 49% | 51% | 51% | 51% | 51% |
| Median Age | 29.9 | 32.0 | 27.6 | 30.7 | 29.7 | 33.0 |
| Percent Population under 18 yrs. | 29.4% | 32.0% | 24.4% | 23.9% | 28.5% | 27.2% |
| Percent Population age 65 and over | 12.8% | 11.0% | 10.1% | 10.8% | 13.1% | 14.1% |

Source: U.S. Bureau of Census, Census of Population, 1980-1990, Bennet Planning Commission

The trend of "aging of the population" in this country is occurring as people live longer and the birth rate declines. This trend, seen in Table 5, is obvious at all three levels. While the median age is lower in Lancaster County than in Bennet, the median age in Bennet is lower than in the State as a whole, and the aging not as rapid. This phenomenon could be explained by longer lives, lower birth rates and the population in Bennet being embellished by new families with children.

The data gives a snapshot of the community from a taxpayer's perspective, assuming those under 18 and a portion of those over 65 will not be taxpayers. Bennet has a much higher percentage of persons in these groups than the County and slightly higher than the State. This means that the taxpayers may have a greater burden in Bennet.

Economy

Historically, Bennet had an agriculturally-based economy. This was evident in the population shifts that mirror the economic viability of agriculture. The loss of population in the 1930's correlates to the Dust Bowl years in agriculture and the Depression years in the overall economy of the nation.

As agriculture has evolved into fewer and larger farms, there are fewer customers to support the local agriculturally-based businesses, such as fuel, supplies, etc. Additionally, transportation and access improved and the Bennet businesses have found themselves competing with Lincoln and surrounding communities.

During the agricultural crisis of the 1980's, there was an increase in population due to the rural-urban shift and the desirability of residing in a small town within commuting distance of the metropolitan area. The December 1993 survey conducted by the Bennet Planning Commission showed that 76% of the households had at least one member who commuted to Lincoln for employment. With only 14% of the respondents employed in Bennet and 5% in agriculture, Bennet can definitely be considered a "commuter" community.

With the emphasis on the commute to Lincoln, the relationship between Bennet and the Lincoln area economy is important and the growth pattern of that community must be considered. Lincoln-Lancaster County planners expect Lincoln's southeast area to be a hub of growth the next five to ten years. Since 1992, housing and retail business development have been booming in that area. Additionally, with the widening to 4 lanes of Highway 2 from Lincoln to Nebraska City, this growth pattern will accelerate, meaning better and more convenient access to Lincoln. Construction on the segment of Highway 2 from Cheney to just east of the Bennet corner is scheduled to begin in 1996 with anticipated completion by the year 2000.

Of special interest to the Village of Bennet is work to be done on Highway 43 between the Village and Highway 2. The road will be resurfaced, shoulders will be added and an interstate-style exchange will be constructed at the junction. The economic impact to area businesses because of the increased traffic flow has the potential of being very significant.

Retail establishments in Bennet face stiff competition because of their proximity to Lincoln. Over 90% of area residents do a majority of their shopping outside the Village. In the past 20 years, however, several new businesses have opened in Bennet. The ones that succeed usually find a special market, provide a necessary service, or develop a unique service that attracts customers on a larger, regional basis.

The Bennet merchants and home-based businesses, as compiled by the Bennet Welcome Committee, 1993, are listed in Table 6.

Table 6 - Bennet Area Businesses, 1993

Agriculture News

Farmers Coop Elevator The Voice Newspaper and Printing

Farmers Coop Farm Store

Personal Services

Business & Repair Services

The Hair Exchange

Capital Machine Works

Dick's Automotive

Transportation

Ed's Garage

Nebraska Bulk Transports, Inc.

Jake's Sharpening and Small Engine

May Welding

Home-Based Businesses

May's Car Wash

Avon, Vera Boell

Bennet Dance Center

Finance, Insurance & Real Estate

Capital City Electric

Farmers State Loan Office

Chauza Construction

Home and Farm Insurance

Clyde Grant's Advertising Specialties

Country Swim School

Food Services

Custom Environments, Remodeling

Mamasita's Restaurante

Dawson's Daycare

Dream-On Crafts

Government/Quasi-Government

Holdsworth's Lawn Service

Bennet Elementary School

J & R Repair

Bennet Post Office

Lancaster Equine Clinic

Lancaster Rural Water District No. 1

Margaret Traudt, Tutoring

Mary Kay Cosmetics, Lori Pedersen

Retail Trade

Murry's Home Repair

Arp Clock and Wood Shop

Pat Keifer, Bookkeeping

Bennet Corner Stop

Philippa's Daycare

Bennet Off Sale

Sew-Personal, Sandie Wink

Bill's Trophy Shop

Stahr Woodcraft, Remodeling

Watkins Products, Yvonne Sterns

Young's Plumbing Co.

Source: Bennet Welcome Committee, 1993

Economic Development

The key to economic growth is attracting the right business in the right place. We must be careful to attract a business that can serve the community and heighten community pride. At the "Goals for Community Revitalization" workshop (Spring 1992), participants identified economic development as one of the main priorities. The 1992 community survey contained several questions relating to economic growth.

The responses were as follows:

- 95% were in favor of attracting new business to Bennet
- 94% would support retail businesses in Bennet
- 67% would support professional service (lawyer, accountant, tax services, etc.)
- 73% would support a financial institution in Bennet
- 75% were in favor of attracting new industry to Bennet

Local economic development can be described as the efforts of community leaders to stimulate business investment and employment to preserve or improve the quality of life in a community. There is a strong temptation to think that it concerns only the recruitment of large, new firms into a community. However, that is only part of the picture.

One of the most important objectives of economic development should be the retention of businesses already located in the community. Often overlooked are home-based businesses which may be ready to expand from a home setting to a location in another area of town. This approach would expand the employment base and, perhaps, utilize an existing building in the commercial area. It is vitally important to put into place programs to keep good, productive businesses in the community and help them with expansion potential. Working together, the public and private enterprises can determine financial needs, locate suitable financing such as grants and loans, and begin planning for expansion.

Another objective is to begin working to attract businesses to town. This approach is much more extensive and time-consuming. Certain elements must be in place. We need a history of cooperation among local leaders in the community and a firm commitment to make changes that will benefit the entire community. We must be good stewards of the land and prepare for the future development in our town. An extensive recruitment plan will be necessary to accomplish this.

Income

Personal income is one of the most important indicators of the local, regional and state economy. It is, in essence, the dispensable income that the consumer will use in the local and/or regional marketplace. Table 7 identifies family income for Bennet compared to Lancaster County and the State for 1990. Since this data was not previously available for Bennet, the 1990 data will be used as a baseline from which to make future comparisons. Understanding community income characteristics is important also in determining the number of households with the financial capacity to afford a new owner or renter housing unit, or the means to rehabilitate their existing housing unit.

The family income data suggests that Bennet is composed largely of middle income families. These figures are higher than either the State or the County. In incomes greater than \$50,000 Bennet lags behind the State and County while at the other end of the spectrum, Bennet has far fewer families below the poverty level. The median income in Bennet is slightly higher than in the State but is considerably lower than in the County.

Table 7 - Family Income Statistics, Bennet, Lancaster County, State of Nebraska, 1990

| Family Income | Villa | age | County | State | | | |
|--------------------------------|--|---------|----------|---------|----------|---------|--|
| | Number | Percent | Number | Percent | Number | Percent | |
| Less than \$5,000 | 0 | 0 | 1262 | 2.4 | 11,794 | 2.8 | |
| \$5,000-\$9,999 | 6 | 4.3 | 1965 | 3.7 | 21,616 | 5.2 | |
| \$10,000-\$14,999 | 5 | 3.5 | 3276 | 6.1 | 33,491 | 8.0 | |
| \$15,000-\$24,999 | 39 | 27.7 | 8357 | 15.7 | 83,885 | 20.0 | |
| \$25,000-\$34,999 | 32 | 22.7 | 10,251 | 19.2 | 85,580 | 20.5 | |
| \$35,000-\$49,000 | 33 | 23.4 | 13,863 | 26.0 | 92,981 | 22.2 | |
| \$50,000 and up | 26 | 18.4 | 14,368 | 26.9 | 89,124 | 21.3 | |
| Income Statistics | ······································ | | | | | | |
| Median Income | \$31,932 | | \$36,476 | | \$31,634 | | |
| Families | 141 | | | 53,360 | | 418,471 | |
| Percent Below Poverty Level | | | 6.0% | | 8.0% | | |

Source: U.S. Bureau of Census, 1990, Bennet Planning Commission

Table 8 - Educational Level Age 25 and Over, Bennet, Lancaster County, State of Nebraska

| 1990 | Villa | ge | County | 1 | State | |
|---------------------------------|-------|-------|--------|-------|---------|-------|
| Less than 9th grade | 21 | 6.1% | 4,899 | 3.8% | 79,925 | 8.0% |
| 9th-12th, no diploma | 38 | 11.1% | 10,551 | 8.1% | 101,147 | 10.1% |
| High school graduate | 152 | 44.3% | 37,059 | 28.7% | 345,778 | 34.7% |
| College, no degree | 80 | 23.3% | 29,511 | 22.8% | 209,872 | 21.1% |
| Associates degree | 26 | 7.6% | 11,616 | 9.0% | 70,665 | 7.1% |
| Bachelors degree | 17 | 5.0% | 23,626 | 18.3% | 130,172 | 13.1% |
| Graduate or professional degree | 9 | 2.6% | 12,058 | 9.3% | 58,490 | 5.9% |
| % Less than college degree | | 84.8% | | 63.4% | | 73.9% |
| % Bachelor degree or higher | | 7.6% | | 27.6% | | 18.9% |

Source: U.S. Bureau of Census, Census of Population, 1990

In a time when type of employment and income level is often a reflection of education, the high percentage of Bennet residents with less than a college degree (Table 8) can be seen in the middle income figures of Table 7. This percentage is greater than in either the County or the State.

Conclusions

Economic viability is a key ingredient to a vibrant community. Population and housing projections (see Figure 1 and Table 13) indicate that Bennet and the surrounding area will experience growth in the next 10 years. Coupled with the development plans for the intersection of Highway 43 and Highway 2, this puts Bennet in a prime location for growth in the business sector. Careful planning to attract and hold the right businesses in the right place will be needed.

With the aging of the population being experienced in Bennet, as well as the entire country, we should be prepared to provide diverse housing choices and services to accommodate this change.

Recommendations

- 1. Develop an economic development plan.
- 2. Attempt to diversify the local economic base by attracting new retail stores, professional services and manufacturing firms, while encouraging and facilitating the expansion of existing businesses.
- 3. Encourage redevelopment of the central business district.
- 4. Form a Chamber of Commerce to encourage communication and cooperation among the existing businesses.
- 5. Seek to increase employment opportunities and raise local incomes.